

AMENDED IN SENATE JULY 3, 2003

AMENDED IN SENATE JUNE 26, 2003

AMENDED IN ASSEMBLY JUNE 2, 2003

AMENDED IN ASSEMBLY APRIL 29, 2003

CALIFORNIA LEGISLATURE—2003–04 REGULAR SESSION

ASSEMBLY BILL

No. 1253

Introduced by Assembly Member Bermudez

February 21, 2003

An act to add and repeal ~~Sections 20901.2 and 20902.6~~ *Section 20901.2* of the Government Code, relating to public employees' retirement.

LEGISLATIVE COUNSEL'S DIGEST

AB 1253, as amended, Bermudez. Public employees' retirement: CSU employees.

~~(1)~~The Public Employees' Retirement Law authorizes specified state employees to receive an additional 2 years of service credit, for purposes of calculating retirement benefits, if the Governor, by executive order, makes specified determinations, those employees retire within the period designated in the executive order, and other conditions are met. Upon retirement, those employees receive service credit for unused sick leave, as specified.

This bill would grant specified employees of the California State University credit for an additional 2 years of service and for unused vacation or annual leave, as specified, if those employees retire within a period, to be designated by the Director of Finance, during the

2003–04 fiscal year, *the Trustees of the University certify, as specified, that savings to the University will result therefrom, and—if other conditions are met.*

~~(2) The Public Employees' Retirement Law authorizes specified state employees of the judicial branch to receive an additional 2 years of service credit, for purposes of calculating retirement benefits, if the Chief Justice, by formal action, makes specified determinations, those employees retire during a designated period, and other conditions are met.~~

~~This bill would grant state employees of the judicial branch credit for an additional 2 years of service and for unused vacation or annual leave, as specified, if those employees retire within a period, to be designated by the Chief Justice, during the 2003–04 fiscal year and if other conditions are met.~~

Vote: majority. Appropriation: no. Fiscal committee: yes.
State-mandated local program: no.

The people of the State of California do enact as follows:

- 1 SECTION 1. Section 20901.2 is added to the Government
- 2 Code, to read:
- 3 20901.2. (a) ~~(1)~~ Notwithstanding any other provision of this
- 4 part, an additional two years of service shall be credited to state
- 5 miscellaneous members employed by the California State
- 6 University, if the following conditions exist:
- 7 ~~(A)~~
- 8 (1) The member meets the service requirements of Section
- 9 21060 or 21074.
- 10 ~~(B)~~
- 11 (2) The member retires for service during the period designated
- 12 by the Director of Finance, which period shall commence on a date
- 13 after the effective date of this section and shall expire on a date
- 14 prior to July 1, 2004. The Director of Finance shall make that
- 15 designation within 15 days after the effective date of this section.
- 16 ~~(2) The appointing power, as defined in Section 18524, shall~~
- 17 (3) *The Trustees of the California State University demonstrate*
- 18 *and certify to the Controller and the Director of Finance that*
- 19 *operation of this section will result in a net savings to the university*
- 20 *during the 2003–04 fiscal year. Upon making this certification, the*

1 *trustees shall offer this retirement option to all state miscellaneous*
2 *members employed by the California State University.*

3 (b) In addition to the additional service credited pursuant to
4 subdivision (a) and notwithstanding any other provision of law, a
5 member who retires pursuant to this section shall be credited at his
6 or her retirement with 0.004 year of service credit for each unused
7 day of vacation or annual leave certified to the board by the
8 Trustees of the California State University. The certification shall
9 report only those days of unused vacation or annual leave that were
10 accrued by the member during the normal course of his or her
11 employment. Reports of unused days of vacation or annual leave
12 are subject to audit and retirement benefits may be adjusted if
13 improper reporting is found. Until receipt of the certification from
14 the trustees, the board may pay an estimated allowance pursuant
15 to this section. At the time the certification is received, the
16 member's retirement allowance shall be adjusted to reflect any
17 necessary changes.

18 (c) In addition to any and all other contributions to the
19 retirement fund, the Trustees of the California State University
20 shall transmit to the retirement fund an amount determined by the
21 board that is equal to the actuarial equivalent of the difference
22 between the allowance a member described in subdivision (a)
23 receives after the receipt of service credit under this section and the
24 amount the member would have received without that service
25 credit. The transfer to the retirement fund shall be made in a
26 manner and time period acceptable to the trustees and the board.
27 The trustees shall make the payment with respect to all eligible
28 employees who retire pursuant to this section.

29 (d) The amount of service credit acquired under this section
30 may not exceed the number of years intervening between the date
31 of the member's retirement and the date the member would be
32 required to be retired because of age.

33 (e) Any member who qualifies under this section, upon
34 subsequent reentry to this system shall forfeit the service credit
35 acquired under this section.

36 (f) This section is not applicable to any member otherwise
37 eligible if the member receives any unemployment insurance
38 payments arising out of employment with an employer subject to
39 this part during a period extending one year beyond the first day
40 of the period designated by the Department of Finance pursuant to

~~subparagraph (B) of paragraph (1)~~ *paragraph (2)* of subdivision (a) or if the member is not eligible to retire without the additional credit available under this section.

(g) The Trustees of the California State University, in order to achieve economies following the retirement of miscellaneous members pursuant to this section, may eliminate positions within the California State University, as determined by the trustees. The positions eliminated need not include the specific positions vacated by the members upon their retirement under this section.

(h) This section shall become inoperative on July 1, 2004, and, as of January 1, 2005, is repealed, unless a later enacted statute that is enacted before January 1, 2005, deletes or extends the dates on which it becomes inoperative and is repealed.

~~SEC. 2.—Section 20902.6 is added to the Government Code, to read:~~

~~20902.6. (a) (1) Notwithstanding Section 20902.5 or any other provision of this part, an additional two years of service shall be credited to state members who are employed in an organizational unit of the judicial branch, if the following conditions exist:~~

~~(A) The member meets the service requirements of Section 21060 or 21074.~~

~~(B) The member retires for service during the period designated by the Chief Justice, which period shall commence on a date after the effective date of this section and shall expire on a date prior to July 1, 2004. The Chief Justice shall make that designation within 15 days after the effective date of this section.~~

~~(2) This section is applicable to all state members employed by an organizational unit of the judicial branch who satisfy the conditions of paragraph (1).~~

~~(b) In addition to the additional service credited pursuant to subdivision (a) and notwithstanding any other provision of law, a member who retires pursuant to this section shall be credited at his or her retirement with 0.004 year of service credit for each unused day of vacation or annual leave certified to the board by the Administrative Office of the Courts. The certification shall report only those days of unused vacation or annual leave that were accrued by the member during the normal course of his or her employment. Reports of unused days of vacation or annual leave are subject to audit and retirement benefits may be adjusted if~~

1 ~~improper reporting is found. Until receipt of the certification from~~
2 ~~the Administrative Office of the Courts, the board may pay an~~
3 ~~estimated allowance pursuant to this section. At the time the~~
4 ~~certification is received, the member's retirement allowance shall~~
5 ~~be adjusted to reflect any necessary changes.~~

6 ~~(c) In addition to any and all other contributions to the~~
7 ~~retirement fund, the Administrative Office of the Courts shall~~
8 ~~transmit to the retirement fund an amount determined by the board~~
9 ~~that is equal to the actuarial equivalent of the difference between~~
10 ~~the allowance a member described in subdivision (a) receives after~~
11 ~~the receipt of service credit under this section and the amount the~~
12 ~~member would have received without that service credit. The~~
13 ~~transfer to the retirement fund shall be made in a manner and time~~
14 ~~period acceptable to the Administrative Office of the Courts and~~
15 ~~the board. The Administrative Office of the Courts shall make the~~
16 ~~payment with respect to all eligible employees who retire pursuant~~
17 ~~to this section.~~

18 ~~(d) The amount of service credit acquired under this section~~
19 ~~may not exceed the number of years intervening between the date~~
20 ~~of the member's retirement and the date the member would be~~
21 ~~required to be retired because of age.~~

22 ~~(e) Any member who qualifies under this section, upon~~
23 ~~subsequent reentry to this system shall forfeit the service credit~~
24 ~~acquired under this section. Any member who qualifies under this~~
25 ~~section is not eligible for additional service credit under Section~~
26 ~~20902.5.~~

27 ~~(f) This section is not applicable to any member otherwise~~
28 ~~eligible if the member receives any unemployment insurance~~
29 ~~payments arising out of employment with an employer subject to~~
30 ~~this part during a period extending one year beyond the first day~~
31 ~~of the period designated by the Chief Justice pursuant to~~
32 ~~subparagraph (B) of paragraph (1) of subdivision (a) or if the~~
33 ~~member is not eligible to retire without the additional credit~~
34 ~~available under this section.~~

35 ~~(g) The Administrative Office of the Courts, in order to achieve~~
36 ~~economies following the retirement of miscellaneous members~~
37 ~~pursuant to this section, may eliminate positions within an~~
38 ~~organizational unit of the judicial branch, as determined by the~~
39 ~~office. The positions eliminated need not include the specific~~

1 ~~positions vacated by the members upon their retirement under this~~
2 ~~section.~~

3 ~~(h) This section shall become inoperative on July 1, 2004, and,~~
4 ~~as of January 1, 2005, is repealed, unless a later enacted statute that~~
5 ~~is enacted before January 1, 2005, deletes or extends the dates on~~
6 ~~which it becomes inoperative and is repealed.~~

